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ABSTRACT

Begun under President Reagan, the Caribbean Basin Initiative (CBI) was a program of trade, economic assistance, and tax measures designed to generate economic growth in the region through private sector investment and trade. This study proposes to: (1) discuss the reaction to the CBI as a viable economic development model for the region; and (2) assess its impact upon selected countries. Without further study it is impossible to conclude that CBI has had anything more than a limited impact on the region. It does appear that economic growth has taken place in terms of diversification of exports of non-traditional products, but broad conclusions regarding other areas defining economic growth are risky at best. A number of recommendations for further study in this area are made. (Contains 28 endnotes.) (DB)

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Reaction to the CBI I as an Economic Development Model

and of Its Impact to the Region

by

Elaine S. Potoker

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The Caribbean Basin Initiative: Reaction to the CBI I as an Economic Development Model and of Its Impact to the Region

by Elaine S. Potoker

Background information

In 1983 the Caribbean Basin Economic Recovery Act (CBERA) was enacted to allow eligible products from specified countries in Central America and the Caribbean be imported into the United States duty-free.[1] The objective of this legislation was to promote political and economic stability through [U.S.] foreign investment in these countries, which, in turn, was expected to diversify their economies and expand exports, expecially in non-traditional products. According to U. S. Department of Commerce sources, twenty-seven countries were "eligible" for what became known as the Caribbean Basin Initiative (CBI) benefits; twenty-one received CBI designation as of 1985.[2] In the U. S., government publications summarizing CBI heralded President Reagan's Carribean Basin Initiative as an "unprecedented" program of trade, economic assistance and tax measures to generate economic growth in the region through private sector investment and trade."[3] Section 213 set forth criteria for determining which articles would enter the country duty-free, or rather, which articles would not, due to concerns regarding

injury to U. S. domestic production.[4]

The purpose of this study is limited to the following: 1) to discuss the reaction to the CBI as a viable economic development model for the region. Was this a strategy which was well-founded and learned from historical examples in Latin America?; and, 2) to assess its impact upon selected countries.

Whether the CBI accomplished the goals as outlined is a subject recommended for continued study, as definitive conclusions require consideration of the many variables which impacted on the region throughout the 80's to the present--as examples, new regulations, amendments (such as a special textile program enacted in 1986), additional beneficiaries added under CBI II in 1990, and unequal distribution of aid to designated countries. The economic development of some beneficiaries (e.g., the French Overseas Departments of Martinique and Guadalupe, and the Netherlands Antilles) continue to have political ties to their "mother" countries which place them in a "special" category in terms of the evaluation process. In addition, CBI I did not become operative until 1984. Trade and internal development data are inconclusive until 1986. In 1990 TSUS (the Tariff Schedule of the United States) was replaced by the Harmonized Tariff System (HTS)--having an obvious impact upon gathering and evaluation of comparative data. Qualified reaction to the impact of CBI to date is presented in Section II, along with recommendations for further study.

Ia. The CBI as an Economic Development Strategy

The fundamental economic development objective of the CBI was (and continues to be) that of promoting growth in the region. The means to achieve this goal was through stimulated, direct foreign investment (DFI), export-led development by access to the U.S. market. Assembly plants, agro-industry and tourism are those which are the primary export sectors.

In the late 70's and early 80's, there were models within Latin America where economic development was taking place. Two examples discussed by P. Evans and G. Gereffi relate to what they term the "dependent development" of Brazil and Mexico. Although both countries were dependent upon developed nations for DFI, they still managed to move along a developmental path from the periphery to the semi-periphery.[3]

Critics of the CBI strategy argued for models based upon the reality of the nations targeted to be beneficiaries to the Plan. James Petras in, "A Military Policy in Search of an Economic Rationale," insisted that the underlying assumptions of the CBI had little to do with the historical or contemporary reality of the region. (Unlike Mexico and Brazil who had been able to diversify production and supply their internal market with finished goods), CBI countries were still heavily dependent upon single crop economies, and subject to fluctuations in price. Petras maintained that even the price of

3

farm machinery and farm inputs imported from the U. S. had increased faster than the price of primary products. Petras argued that there was no internal market in these countries. He saw heavy state involvement as key to stimulation of market activity. Unless there was significant long-term state involvement (as in the case of S. Korea and Brasil), he emphasized that private sector response was not assured. In Petras's view, the "pointed" exclusion of textiles was, in fact, one of the few product areas that could have offered export potential for many of the countries involved.[6]

Bernardo Vega in, "The CBI Faces Adversity, Lessons from the Asian Export Strategy," also evaluated CBI from an economic perspective. One of the models which was touted by Reagan as a rationale for CBI viability was the East Asian model, and especially the economic development of Taiwan. Vega analyzed the Asian model and concluded that it was useful to point out both the potential and restraints of the CBI. Using Taiwan as an example, he stated that agrarian reform and import substitution preceded export growth. There was an internal market in Taiwan--only 33 percent of industrial production was exported in 1980.[7] This was not the case in any of the CBI beneficiary countries. Taiwan had received aid from the U. S. for both physical and social infrastructures--e.g., development of roads and health programs. Vega argued that capital was a must not only for the establishment of export industries, but also for the government for the improvement of the infrastructure. Both the Vega and Petras perspectives addressed the fact that Reagan offered no relief for the debt problem

in the CBI region, which was contributory to problem of capital flight and out migration. The Asian example of export-led growth was substantively based upon textiles and leather goods, excluded, as stated previously, in CBERA. Unlike Petras, Vega conveyed optimism regarding CBI, as he concluded that the proximity of the region to the U. S. might provide the advantages that **might** (highlight added) offset the restraints of CBI. However, Vega offered no evidence to substantiate his reasons for optimism, or for his assertions regarding the Mexican (maquiladora) model; so the reader is left somewhat puzzled at the close of his article--e.g., "The twin plant concept is operational in the Caribbean because of its geographical proximity to the United States. The experience with twin plants on the U. S. Mexican border has been successful and it can be copied in the Caribbean."[8]

The perspectives and concerns expressed through both the Petras and Vega articles are reminders of another Latin American historical example which some considered a lesson "unlearned" by the Reagan administration. The "trickle down" effect had not worked in the case of Operation Bootstrap in Puerto Rico. U. S. DFI did not translate into reduction of unemployment, exodus of some 50 percent of the Island population to the U. S., or significant reduction of dependence upon imports.[9]

Ib. The CBI: Economic Development or a Military and Political Strategy?

While Petras' article concluded definitively that CBI economic strategy was not a "beneficiary" of learning from past failures,

and Vega left with mixed reactions to the Plan, "The U.S. Caribbean Basin Initiative" by Ramesh Ramsaran echoed the Petras view.[10] Ramsaran concluded that the U. S. learned no lessons from past mistakes and cited reasons similar to those of Petras and Vega. However, his article is a departure from the others, as it focused primarily on the political considerations that weighed heavily into the qualifications for "eligibility" for the CBI, as well as other aid tied into the Plan.[11]

The "Caribbean Basin," as a term, is one which was created by Reagan. In Ramsaran's view, it was a way to focus upon Central America and the Caribbean as a sub-region with special problems requiring "special" attention.[12] Section 212 of CBERA stated that the President might not designate a country for "eligibility" if it were a communist country; the country also had to follow "accepted rules" of international trade. The emergence of the government of Michael Manley in Jamaica during the 1972-80 period and what was considered his socialist "posturing," the forcible removal of the Eric Gairy government by the Bishop regime in '79, and the instability in El Salvador and other Central American states were undoubtedly factors in the decision to launch the CBI. The "carrot and stick" approach was explicit in Reagan's political addresses of the time. Countries with policies acceptable to the U.S. (e.g. Jamaica under Seaga) would be rewarded, and those "others"--Cuba, Granada and Nicaragua--would be denied assistance.[13] As Ramsaran points out, nothing much was new under this so-called "initiative." Some 87 percent of Caribbean Basin exports

already were imported into the U.S. duty-free.[14] Further arsenal that made the "package" suspect--as a way for the U.S. to assert its hegemony in the political life of the nations--was the fact that the Plan showed no concern with regional integration; rather, the aid tied into the Plan served to interfere with the process.

Alessandro Barca's, "..."Crónica de un **Fracaso** Anunciado," (highlight added) is suggestive of his prognosis for the future of CBI--headed toward failure. Mentioned are the same concerns discussed thus far as to the economic shortcomings of CBI (i.e., lack of infrastructure in CBI countries, etc.) However, he focused primarily on the political and military implications of the Plan to the region. In his view, it was clear from the beginning that the Initiative was an instrument to cover up aid to El Salvador and isolate Cuba, Nicaragua and Grenada politically economically.[15] Internal structural problems required concern with integration of the region, which the Reagan plan did not address. This article is interesting, not only as a synthesis of other prevailing viewpoints of the era, but also because it included reactions of other nations to the CBI: e.g., the foreign ministers of CARICOM (--they condemned the Plan); Mexico (--Portillo criticized the "selectiveness" and anti-Castro crusade inherent), Canada (--who maintained CBI was poorly organized and questionably motivated), and others. Seaga of Jamaica was very supportive, and obviously benefitted from the economic assistance that was part and parcel of CBI.

However, CBI was Seaga's "brainchild"--it was he that introduced the idea to Reagan as a Marshall Plan for the region.[16] The Barca article is a valuable overview to the politics which were undoubtedly linked to the genesis of CBI.

Summary

Section I provides an overview of the reaction and criticism that prevailed in the early 80's to what is now known as CBI I. It concludes that the Caribbean Basin Initiative was condemned or questioned for the following reasons: a) The CBI was not considered a viable strategy for the region based upon the economic realities of the beneficiary countries--nor were there precedents for success of such a strategy within the historical context of Latin America; b) the Plan, in essence, was politically and militarily motivated to stabilize the region through "carrot and stick" economic assistance. Both viewpoints are useful as a "jumping off point" for a limited review as to whether the Plan, as it has evolved into the 90's, accomplished either the stated objectives and/or the so-called Reagan "others."[17] The following section presents reaction of CBI's impact to date on selected countries, and offers recommendations for further research.

II. Impact of CBI: Recommendations for Further Study

If one limits the evaluation of the impact of CBI to the original

designates (from 1985 to present), good research recognizes that this is a limited track record for definitive conclusions. Furthermore, the (non-equitable) factor of financial aid (endnote 13) is a key variable that should be weighed in further study. As the fundamental economic development objective of the CBI was to promote growth in the region, the question becomes, how should "economic growth" be defined? Economic growth, will be defined from the consensual concerns that were expressed by writers Vega, Petras, Ramsaran and Barcas in Section I. Specifically: a) Have countries managed to diversify their economies and expand exports?; are they also supplying their internal markets with goods?; b) are there indications of improved "quality of life"?--defined here as improved distribution of income and lasting employment; c) are there signs of infra-structure development?; d) has there been a reduction of dependence on imports and alleviation of debt?[18] Wherever answers are not conclusive, recommendations for further research are provided.

The General Accounting Office (GAO) report to the U.S. Senate in 1988, evaluated resulting investment and trade to date in the countries of Belize, Haiti, the Dominican Republic, Dominica and Grenada. Their conclusions indicated that DFI, in itself, was constrained in these countries. As examples, in Haiti, the political condition there remained volatile, and complicated not only DFI, but assistance efforts through AID. Lack of infrastructure, transport facilities, and an underdeveloped private sector had a similar effect in Belize and the Eastern

Caribbean. The Dominican Republic was in a better situation than the rest to attract DFI, as it had a large labor force, a a manufacturing sector, and a diversified agricultural base. The other countries' limited labor force and infrastructure restricted production of components, which made them heavily dependent upon imports.[19]

A review of U. S. imports for consumption between 1986 and 1989 indicates that U.S. imports to all but two of the GAO selected countries increased. Only Belize and Dominica showed a reduction in U.S. imports for consumption.[20] (Good research) would require further study to determine if imports from countries other than the U.S. might have increased in the case of Belize and Dominica; all countries would have to be examined as regards the impact of population growth vs. consumption during these years. U.S. imports from all CBERA designates show no change between 1985 and 1989. Therefore, it would appear that (as regards increased imports) the U.S. has been the primary "beneficiary" of CBI trade to date. World Development Reports do not provide data as to income distribution nor ICP (United Nations International Comparison Program) estimates of GDP for these countries.

An International Development (IDB) Report on economic and social progress in Latin America has just been released, but a number of CBI designates are not evaluated; for others, data is not included from 83-85 to enable comparison between those years and available data prior to enactment of CBI II. In addition, for this region

there is a lack of data regarding sectorial employment and production structures.[21] Other constraints involve a scarcity of data from 83-85 vs. available data prior to enactment of CBI II. This is particularly problematic with regard to information on external public debt and debt-service ratios.[22]

There is a consensual view in the literature that overall there is an indication of a trend toward diversification of exports in CBI countries. This is exhibited through declining shares of traditional exports with accompanying increases of non-traditional exports. (Tourism heavily weights this consideration, as it is considered non-traditional.) Nevertheless, based upon available data, this trend does not appear to have translated into other areas of economic growth. As example, in the the case of GAO country evaluation discussed earlier, they concluded that resulting trade and investment were not sufficient to "generate broadly based economic growth, alleviate debt-servicing problems, or create lasting employment."[23]

Winston Griffith examines the impact of CBI on the CARICOM countries.[24] As regards employment, he concludes that the major part of CBI investments in those countries are at the "low-end" of firms' value chain.[25] Much of the investment into this region has been into assembly-type work. It cannot be assumed that this kind of work, even if wages stay low, will continually absorb large quantities of labor. Although technological progress may have led to net higher employment at the turn of the century, Griffith argues there is no assurance of this in the future

of CARICOM nations. As example, Barbados has diversified by promoting development of cotton and food crops; yet research is underway in Texas to regenerate whole cotton plants through test tube growth.[26] Technology and price devaluation have the potential to idle industries.

Griffith concludes that CBI has had limited impact on CARICOM. He bases his conclusions on the lack of a dynamic manufacturing class, the fact that CARICOM nations have not been attractive as a "global platform"--meaning its low value type of industry is not competitive in a technologically dynamic world. He adds that the theory of "comparative advantage" is not necessarily a plus to development, also because of vulnerability to technology.[27] A number of these assessments are reminiscent of the criticisms waged against CBI--i.e., questioning the Plan as as a viable economic development model for the region--presented in Section I of this study.

Extensive business-related visits over the last six years to the region by this writer (E. Potoker), and work with export development promotion agencies in the CBI-designated countries indicate that initial (required) DFI is often low. Therefore, common sense would apply caution to believing that low-cost investment, coupled with low-chain value exports, will necessarily be secure, long-lasting, or resulting in export growth. Obviously, none of these are assured as a low-cost investor can move to another country with a minimum of loss. Common sense also reveals that in order to measure

internal growth in terms of development of related industries, a sufficient long-term commitment is necessary.

Conclusions

Without further study, it is impossible to conclude that CBI has had anything more than a limited impact on the region. It is even difficult to conclude if "limited impact" means "good vs. negative vs. slightly good" in the case of a few countries. It does appear that economic growth has taken place in terms of diversification of exports of non-traditional products, but broad conclusions regarding other areas defining "economic growth" are risky at best.

Having now the hindsight of available vs. unavailable data (detailed earlier) the following approach to further study is advisable. First, it is recommended that evaluation of impact on CBI countries be done on a country-by-country basis--specifically those countries that were originally designated as beneficiaries--to at least give the researcher the benefit of a historical track record. Second, each country should then be assessed in its own terms--i.e., its own historical and economic context, economic growth (or lack of), as well as financial and political variables that might have been contributory. Evaluations of CBI that compare the English-speaking Caribbean with other countries are of limited value, in my view, as it is impossible to factor (equitably) the socio-political-historical and other variables inherent

in the development of each of the countries involved. Third, a country-by-country evaluation should include data requested from the respective countries export development and other governmental agencies. The extensive nature and time contraints of gathering country-originated information was beyond the scope of this study.

The fact is that clearly "the votes are not in" as yet on CBI. Nevertheless, the viewpoints reflected by the articles reviewed in Section I of this study are excellent ideas as to how further research might define "success"--i.e., "growth"--by development of internal infrastructure, quality of life (measured by income distribution, as one example), etc. Application of these perspectives in combination with the approach to research described above should provide more conclusive and useful information as to the impact of CBI to date rather than comparisons of countries that are not, in essence, comparable.[28]

Endnotes

[1] CBERA refers to the legislative elements of the Reagan program; CBI is a general term referring to the objectives of the plan which were to promote economic development and political stability in Central American and Caribbean countries through trade incentives and increased economic aid to improve private sector trade and investment. However, at times these terms are used interchangeably. CBI I is generally referred to as the program which was in effect during the 80's, or prior to the CBI II of 1990. CBI, used within the context of this study, refers both to CBI I and CBERA.

[2] The Caribbean Basin Initiative: Legislative and Agency Actions Relating to the CBI. (December, 1986). Washington: U. S. General Accounting Office. (GAO/NSIAD-87-58FS); see also 1986 Guidebook: Caribbean Basin Initiative. (1986). Washington: U. S. and Foreign Commercial Service CBI Center.

Being "eligible" did not translate into being "designated" as a CBI beneficiary. Countries had to satisfy the "eligibility" requirements set forth in Section 212 of CBERA, disussed in in text of this article. By 1985, the following countries were designated for CBI benefits: Antigua and Barbuda, Bahamas, Barbados, Belize, Br. Virgin Islands, Costa Rica, Dominica, Dominican Republic, El Salvador, Grenada, Guatemala, Haiti, Honduras, Jamaica, Montserrat, Netherlands Antilles, Panama, St. Kitts and Nevis, St. Lucia, St. Vincent and

Trinidad and Tobago. Guyana was added in 1988; Nicaragua in 1990; Panama lost eligibility in 1988 (during the Noriega political turmoil), and was reinstated in 1990; trade data for Aruba is somewhat skewed, as it became independent of the Netherlands Antilles in 1986. (In order to compile this information, it is necessary to compare CBERA with CBI Annual Reports up to Sept. 1991).

[3] See the 1986 Guidebook (f.n. 2). These comments reflect the views of the U. S. Dept. of Commerce.

[4] Articles not eligible for duty-free treatment: textiles and apparel subject to the Multifiber Agreement; canned tuna, petroleum products, footwear, luggage, handbags, and flat goods, and certain leather wearing apparel. Watches and watch parts were excluded if any material used in their manufacture originated in a communist country. Rules also placed restrictions on sugar for duty-free treatment so as to not interfere with the U. S. price support system for sugar mandated by Congress. Section 214 set forth special measures involving Puerto Rico, the U. S. Virgin Islands, and other insular possessions.

[5] Peter Evans and Gary Gereffi, "Foreign Investment and Dependent Development: Comparing Brazil and Mexico," in Brazil and Mexico, eds. Sylvia Anne Hewlett & Richard S. Weinert, (Philadelphia: Institute for the Study of Human

Issues, 1982), pp. 111-168. The rationale applied to CBI, may, on the surface, seemed to have had historical precedent in the economic development in Mexico: Mexico did enter the 20th century as a classic peripheral country and as an exporter of primary products (p. 119). Mexico is geographically close to the U.S.; there had been significant U.S. DFI influence in the 70's-80's aimed to stimulate the same sectors targeted under subsequent CBI proposals--the tourist sector, the agricultural export sector, and the large assembly industry (p. 114). Yet, the surface similarity ends there, as one could not even begin to compare the infrastructural development, labor force, resources, etc. in the economic development of Mexico vs. CBI countries.

Note: Gereffi and Evans chose not to measure "development" in terms of "quality of life" (p. 112), but rather in terms of capital accumulation, and diversity of production for the internal market. Others, such as James Petras, considered the social welfare implications of the CBI Model. He concluded that without consideration of the social and regional inequalities, the political consequences would undermine efforts to foment investment, and preclude capital flight and out-migration. This was also a concern of Bernardo Vega.

[6] Petras, James, "A Military Policy in Search of an Economic Rationale: Reagan's Caribbean Basin Aid Program," Comercio Exterior, vol. 28, No. 11 (November, 1982), pp. 400-402.

[7] Vega, Bernardo, "The CBI Faces Adversity: Lessons from the Asian Export Strategy," Caribbean Review, vol. 14, no. 2 (Spring, 1985) pp. 18. See also 19-44.

[8] Vega, p. 19.

[9] Catherine Sunshine, The Caribbean: Survival, Struggle and Sovereignty (Boston: EPICA, 1988), pp. 43, 56-57.

[10]Ramesh Ramsaran, "The U. S. Caribbean Basin Initiative," The World Today, vol. 38, no. 11 (November, 1982), pp. 430-436; Dr. Ramsaran was a Senior Lecturer at the Institute of International Relations at the University of the West Indies (St Augustine, Trinidad) at the time his article was published.

[11]Petras' article was translated into Spanish for the September 1982 edition of Banco Comercial (a publication of the the Foreign Commercial Bank of Mexico.) The translation: "El programa de Reagan para la Cuenca del Caribe: La máscara económica de una política militar," literally means: "Reagan's program for the Caribbean Basin: an economic mask of a military policy." It is obvious that the translator had some biases. The reasons why may be related to to the fact that Mexico spoke out against excluding countries from CBI "eligibility" if their regime was not ideologically compatible with that of the U.S.

Note: Petras is from the U.S., and was working at SUNY, Buffalo as Prof. of Sociology at the time of publication of his article. Vega is an economist, and was working in the Dominican Republic at the time, and writing for a journal dedicated to the Caribbean, Latin America and their emigrant groups. It is interesting that neither one viewed the strategy of CBI as well-founded in historical example.

[12]Ramsaran, p. 433.

[13]The other aid tied into CBI and the implications are too detailed for the scope of this review. Yet, it is important to note that a major purpose of the financial assistance of CBI was to assist countries which were particularly hard-hit economically. Yet all the Eastern Caribbean countries only received 3 percent of the total, while El Salvador received 36 percent, and Jamaica 14 percent. Of the military aid that went to the region, El Salvador received 70.3 percent of the total (Ramsaran, pp. 431-433).

[14]Ramsaran, p. 430.

[15]Alessandro Barca, "EE.UU y la Cuenca del Caribe: Crónica de un Fracaso Anunciado," Nueva Sociedad, vol. 64 (Jan./Feb. 1983), p. 112. See also pp. 110-115.

Barca points out in a footnote that, ironically, El Salvador is the only nation that was not "bathed" by the Caribbean--it has no borders on the Caribbean; yet it was a primary reason for Reagan to initiate the Plan.

[16]Barca, p. 111.

[17]For further insight into the economic situation of Latin America and the Caribbean (in the 80's), see:
Norberto González, "Reactivación y Desarrollo: el Gran Compromiso de América Latina y el Caribe," Comercio Exterior, vol. 36, no. 6 (June, 1986), pp. 531-537.

[18]This study will not assess political stability within the region from 1985 on; whether or not stability is a factor or not resulting from CBI, is also an area for further study.

[19]"Report to the Chairman, Subcommittee on Western Hemisphere and Peace Corps Affairs, Committee on Foreign Relations, U. S. Senate," Caribbean Basin Initiative: Impact on Selected Countries. (Washington: GAO Report NSIAD-88-177, 1988), pp. 4-23.

[20]"Report to Congress and the President on Investigation No. 332-227 Under Section 332(b) of the Tarriff Act of 1930," Annual Report on the Impact of the Caribbean Basin Economic Recovery Act on U. S. Industries and Consumers.: Sixth Report

1990. (Washington: USITC publication 2432, 1991), p. 2-3.

in 1,000's of $$U.S., customs-value basis:

Imports for Consumption from the U.S, Table 2-1

	'86	'89
Belize	50,181	43,056
Dominica	15,185	7,664
Dominican Republic	1,058,927	1,636,931
Haiti	368,369	371,835
St. Vincent	7,836	9,244

Refer to page 16 for U.S. imports from selected countries.

[21]Economic and Social Progress in Latin America: 1991 Report. Washington, D.C.: The John Hopkins University Press, 1991.

[22]GAO Report (f.n.19), p.18. Debt-servicing burden is defined as the external debt-service of payments (i.e., payment of principal and interest) divided by the exchange of goods and services). If a country's export-generated net foreign exchange earnings are growing at a faster rate than its debt-service payments, its debt-servicing burden is improving."

[23] Ibid., p. 2.

[24]Winston H. Griffith, "CARICOM Countries and the Caribbean Basin Initiative," Latin American Perspectives, 64, vol.17, no.1 (Winter, 1990), pp. 34-54. This is a useful article as a "platform" for further study; yet, it is noted that

Griffith limited his review to the English-speaking Caribbean, as CARICOM does not include the 7 other countries among the beneficiaries of CBI I; plus it includes Guyana--not a beneficiary until 1988. Perhaps he chose CARICOM as those countries were least impacted by financial aid/assistance (see f.n. 13). Griffith also differentiates between CBI I and II (p. 34), and appears to recognize the difficulty of concluding whether CBI has been successful (--based upon frequent use of "may be because," or "may prove to be," etc.).

[25]Ibid., p. 43.

[26]Ibid., p. 44.

[27]Ibid., p. 49.

[28]Evaluating development in terms of the context of a country in question--rather than through comparisons to others (not sharing similar historical and other contexts) is an important application to research design, in my view. Charles Anderson in, "The Latin American Political System," Politics and Economic Change in Latin America (Princeton: Van Nostrand press, 1967), pp. 87-115, urged the evaluation of the of the development of Latin America in its own terms. I took this point a step further (to the country level) for reasons mentioned in the text of this study. Anderson's argument offers many implications to research, research design, and evaluation of data.